

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-03476A
Aubrey Water Company
P. O. Box 961089
Ft. Worth TX 761610089

RECEIVED

MAR 22 2004

AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

ANNUAL REPORT

FOR YEAR ENDING

12	31	2003
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FOR COMMISSION USE

Ann04	03
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COMPANY INFORMATION

Company Name (Business Name) BN LEASING dba Aubrey Water Company

Mailing Address P.O. Box 961089
(Street)

FORT WORTH
(City)

TX
(State)

76161-0089
(Zip)

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address richwanson@theriver.com

Local Office Mailing Address P.O. Box 65646
(Street)

TULSON
(City)

AZ
(State)

85728
(Zip)

520-275-2236

520-615-7704

Local Office Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address Same as above.

MANAGEMENT INFORMATION

Management Contact: JAMES J. O'NEIL and SECRETARY
(Name) VICE-PRESIDENT
(Title)

P.O. Box 961050
(Street)

FORT WORTH
(City)

TX
(State)

76161-0050
(Zip)

520-275-2236

520-615-7704

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address

On Site Manager: RICHARD S. WILLIAMSON
(Name)

Box 65646
(Street)

TULSON
(City)

ARIZONA
(State)

85728
(Zip)

520-275-2236

520-615-7704

Telephone No. (Include Area Code)

Fax No. (Include Area Code)

Pager/Cell No. (Include Area Code)

Email Address richwanson@theriver.com

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: CT Corporation System
 (Name)

3225 N. Central Ave. Phoenix AZ 85012
 (Street) (City) (State) (Zip)

602-277-4792
 Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Attorney: Jeffrey Crockett Snell
 (Name)

One Arizona Center Phoenix AZ 85001-0001
 (Street) (City) (State) (Zip)

602-382-6234 602-382-6076
 Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|---|--|
| <input type="checkbox"/> Sole Proprietor (S) | <input checked="" type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P) | <input type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input type="checkbox"/> Association/Co op (A) |
| <input type="checkbox"/> Receivership (R) | <input type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Other (Describe) _____ | |

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|-------------------------------------|---|-----------------------------------|
| <input type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input type="checkbox"/> PIMA | <input type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input checked="" type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

COMPANY NAME

*Aubrey Water Company***UTILITY PLANT IN SERVICE**

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	<i>Detail on older assets not available due to age of system and fact that infrastructure is totally depreciated.</i>		
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements			
307	Wells and Springs	<i>108,620</i>	<i>42,210</i>	<i>66,410</i>
311	Pumping Equipment			
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	<i>221,567</i>	<i>221,567</i>	<i>0</i>
331	Transmission and Distribution Mains			
333	Services			
334	Meters and Meter Installations			
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	<i>42,987</i>	<i>12,897</i>	<i>30,090</i>
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	<i>373,174</i>	<i>276,674</i>	<i>96,500</i>

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME

*AUBREY WATER Company***CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR**

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights			
304	Structures and Improvements			
307	Wells and Springs	<i>108,626</i>	<i>10%</i>	<i>10,862</i>
311	Pumping Equipment			
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	<i>221,567</i>	<i>Totally Depreciated</i>	
331	Transmission and Distribution Mains			
333	Services			
334	Meters and Meter Installations			
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment	<i>42,887</i>	<i>10%</i>	<i>4,289</i>
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	<i>373,174</i>		<i>15,161</i>

This amount goes on Comparative Statement of Income and Expense
Acct. No. 403.

COMPANY NAME Aubrey Water Company.

BALANCE SHEET

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 0	\$ 0
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable		
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 0	\$ 0
	FIXED ASSETS		
101	Utility Plant in Service	\$ 373,174	\$ 373,147
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	261,513	276,674
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 111,661	\$ 96,473
	TOTAL ASSETS	\$ 111,661	\$ 96,473

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME

Aubrey Water Company

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 0	\$ 0
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	4,250	3,550
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$ 4,250	\$ 3,550
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ 0	\$ 0
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$ 0	\$ 0
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ 0	\$ 0
	TOTAL LIABILITIES	\$ 0	\$ 0
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 1,000	\$ 1,000
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings	106,411	91,923
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ 107,411	\$ 92,923
	TOTAL LIABILITIES AND CAPITAL	\$ 111,661	\$ 96,473

COMPANY NAME AUBREY WATER CompanyCOMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 110,880	\$ 103,845
460	Unmetered Water Revenue		
474	Other Water Revenues		
	TOTAL REVENUES	\$ 110,880	\$ 103,843
	OPERATING EXPENSES		
601	Salaries and Wages	\$ **	\$ **
610	Purchased Water		
615	Purchased Power	*	*
618	Chemicals	**	**
620	Repairs and Maintenance	28,302	27,161
621	Office Supplies and Expense	**	**
630	Outside Services	72,000	72,000
635	Water Testing	**	**
641	Rents	**	**
650	Transportation Expenses	**	**
657	Insurance – General Liability	**	**
659	Insurance - Health and Life	**	**
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	**	**
403	Depreciation Expense	15,161	15,161
408	Taxes Other Than Income	7607	6809
408.11	Property Taxes	6551.	6671.
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 129,621	\$ 127,802
	OPERATING INCOME/(LOSS)	\$ (18,741)	\$ (23,959)
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$ 0	\$ 0
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	TOTAL OTHER INCOME/(EXPENSE)	\$ 0	\$ 0
	NET INCOME/(LOSS)	\$ (18,741)	\$ (23,959)

* Expense unitized with affiliated company.

** Expense included in "Outside Services" contract.

COMPANY NAME Aubrey Water Company

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	NONE			
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate				
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End

\$ 0

Meter Deposits Refunded During the Test Year

\$ 0

*System has been replacing old meters
@ no cost to customers.*

COMPANY NAME Aubrey WATER Company

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (Gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-627275	30	200	400 ±	16"	4"	1940 ±
55-627276	30	200	400 ±	16"	4"	1940 ±

- Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
N/A		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
30 H.P.	3	10	5
15 H.P.	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
30,000 gals.	1	3000 gals.	1
210,000 gals.	1		

COMPANY NAME Aubrey WATER Company

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2	PVC	3566
3		
4	PVC	9600
5		
6	PVC	1800
8		
10		
12		
1" - 2 1/2"	galv.	14,580
4" - 6"	CIP	15,600

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	235
3/4	
1	2
1 1/2	3
2	4
Comp. 3	
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

3 chlorinator injection pumps and solute storage tanks.

STRUCTURES:

2 pump buildings
1 storage building

OTHER:

COMPANY NAME: Aubrey Water Company

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2003

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (PUMPED)
JANUARY	244	2,185,360	3,939,200
FEBRUARY		2,017,090	4,048,100
MARCH		1,807,100	3,949,100
APRIL		2,191,540	5,590,200
MAY		2,638,810	7,163,800
JUNE		3,401,600	5,940,600
JULY		4,294,570	6,627,500
AUGUST		6,320,500	6,255,800
SEPTEMBER		3,574,490	5,487,600
OCTOBER		2,467,380	5,047,600
NOVEMBER		3,689,930	4,170,600
DECEMBER		2,575,760	4,055,700
TOTAL		39,173,130 N/A	62,275,800

Is the Water Utility located in an ADWR Active Management Area (AMA)?

() Yes (X) No

Does the Company have An ADWR Gallons Per Capita Per Day (GPCPD) requirement?

() Yes (X) No

If yes, provide the GPCPD amount: N/A.

What is the level of arsenic for each well on your system. 20.05 mg/l
(If more than one well, please list each separately) 20.05

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME Aubrey Water Company YEAR ENDING 12/31/2003

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2003 was: \$ 6671.49

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

13594705

APB510

50-93
A 213



10/06/03

*****3,287.33



YAVAPAI COUNTY TREASURER
255 EAST GURLEY STREET
PRESCOTT AZ 86301

AUTHORIZED SIGNATURE
JPMorgan Chase Bank
6040 Tarbell Road
Syracuse, NY 13206

11 13594705 1:0213093791:601860513 11

01-000-0507239

BNSF VENDOR CORP

13447701

INVOICE NUMBER	AMOUNT	DISC.	NET AMOUNT
AUBREYWATERDIST	3,384.16	.00	3,384.16
TOTALS	3,384.16	.00	3,384.16

AP0508

BNSF

BURLINGTON NORTHERN & SANTA FE RY CO

CHECK NO. 13447701

21-1558



ONE SANTA FE PLAZA

P.O. BOX 1738

TOPEKA, KS 66601

DATE

10/15/03

NET AMOUNT

*****3,384.16

TO THE
ORDER
OF

YAVAPAI COUNTY TREASURER
255 EAST GURLEY STREET
PRESCOTT AZ 86301

AUTHORIZED SIGNATURE

HARRIS BANK, ROSELLE - ROSELLE ILLINOIS

13447701 10719155801 04 199 503 4

COMPANY NAME Aubrey Water Company

YEAR ENDING 12/31/2003

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported _____
Estimated or Actual Federal Tax Liability _____

State Taxable Income Reported _____
Estimated or Actual State Tax Liability _____

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances _____
Amount of Gross-Up Tax Collected _____
Total Grossed-Up Contributions/Advances _____

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

James J. O'Neil N/A - None collected or due.
SIGNATURE DATE

James J O'Neil
PRINTED NAME

VICE PRESIDENT AND SECRETARY
AVP Property + Facilities Mgmt
TITLE

RECEIVED
MAR 22 2004
AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

RECEIVED

MAR 22 2004

VERIFICATION

STATE OF _____

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)
NAME (OWNER OR OFFICIAL) TITLE <i>James J. O'Neil</i>
COMPANY NAME <i>Aubrey Water Company</i>

AZ CORPORATION COMMISSION
DIRECTOR OF UTILITIES

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2003

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2003 WAS:

Arizona IntraState Gross Operating Revenues Only (\$)

\$ 103,845

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 6,809.00
IN SALES TAXES BILLED, OR COLLECTED

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

James J. O'Neil

SIGNATURE OF OWNER OR OFFICIAL
817-352-6468

TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

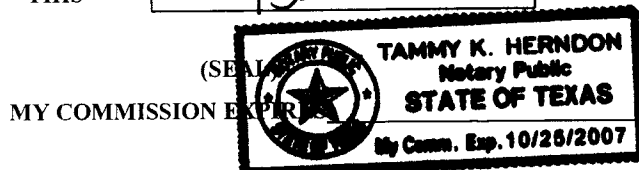
A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 15th DAY OF

COUNTY NAME <i>Tarrant County, Texas</i>	
MONTH <i>3-XIX</i>	YEAR <i>2004</i>

Tammy K. Herndon

SIGNATURE OF NOTARY PUBLIC



VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY

RECEIVED

MAR 22 2004

ARIZONA CORPORATION COMMISSION
DIRECTOR OF UTILITIES

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

(COUNTY NAME)	
NAME (OWNER OR OFFICIAL) <u>James J. O'Neil</u>	TITLE <u>and SECRETARY</u> <u>Vice President</u>
COMPANY NAME <u>Aubrey WATER Company</u>	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION
FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2003

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2003 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 103,845

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 6809
IN SALES TAXES BILLED, OR COLLECTED

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

James J. O'Neil
SIGNATURE OF OWNER OR OFFICIAL

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

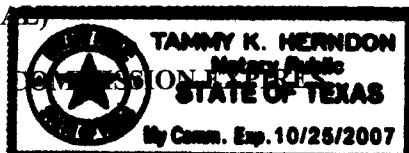
13th

DAY OF

NOTARY PUBLIC NAME <u>Tammy K. Herndon</u>	
COUNTY NAME <u>Tarrant County, Texas</u>	
MONTH <u>March</u>	YEAR <u>2004</u>

(SEAL)

MY



X Tammy K. Herndon
SIGNATURE OF NOTARY PUBLIC